

NIPA Translation of the Fiscal Year 2017 Federal Budget

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ON FEBRUARY 9, 2016, President Obama submitted the *Budget of the United States Government, Fiscal Year 2017* to Congress. This article presents estimates of federal government transactions that are consistent with the projected and proposed receipts and outlays defined in the budget for the current fiscal year of 2016 and for the budget year of 2017 measured on a national income and product account (NIPA) basis. These estimates are presented to assist readers in understanding what the effects of budgeted receipts and outlays would be on aggregate economic activity. These projections will also be used by the Bureau of Economic Analysis (BEA) in developing estimates of federal government transactions throughout 2016, including the federal government component of gross domestic product (GDP).

Comparison of Budget and NIPA Estimates

For both 2016 and 2017, NIPA estimates of federal government current receipts are greater than budget estimates of receipts, and NIPA estimates of federal government current expenditures are greater than budget estimates of outlays.¹ Net federal government saving, defined as the difference between NIPA estimates of current receipts and current expenditures, is $-\$655.4$ billion for 2017, up $\$67.2$ billion from $-\$722.6$ billion for 2016. The budget deficit is $-\$503.5$ billion for 2017, down $\$112.3$ billion from $-\$615.8$ billion for 2016 (chart 1, table 1).

The coverage, netting and grossing, and timing adjustments that were made to “translate” budget estimates into NIPA estimates are presented in table 2 and table 3. Differences between NIPA estimates and budget estimates of spending on national defense are shown in table 4. For more information about the conceptual differences between NIPA measures and budget measures of government transactions, see the box

“NIPA Estimates of the Federal Sector and the Federal Budget Estimates” at the end of this article.

Chart 1. Federal Fiscal Position, Budget Surplus or Deficit (–) and NIPA Net Saving

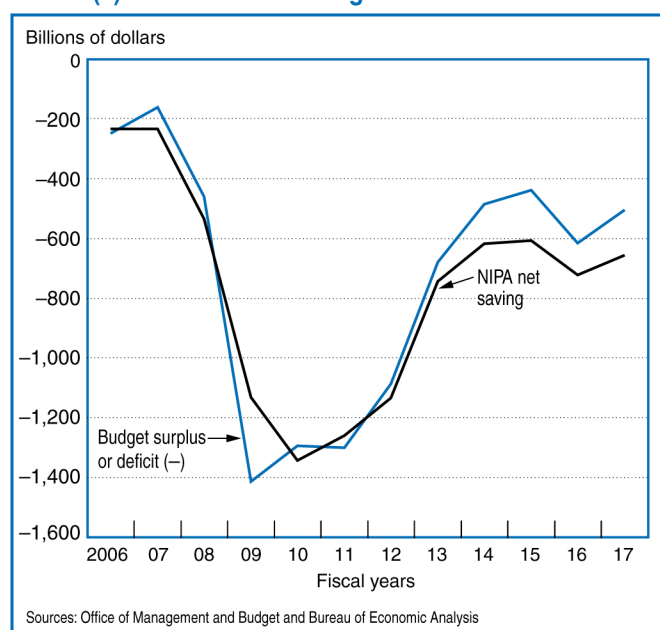


Table 1. Budget Receipts and Outlays and NIPA Federal Government Current Receipts and Expenditures
[Billions of dollars]

| | Level for fiscal year | | | Change from preceding fiscal year | |
|---|-----------------------|-----------|---------|-----------------------------------|-------|
| | Actual | Estimates | | | |
| | 2015 | 2016 | 2017 | 2016 | 2017 |
| Budget: | | | | | |
| Receipts..... | 3,249.9 | 3,335.5 | 3,643.7 | 85.6 | 308.2 |
| Outlays..... | 3,688.3 | 3,951.3 | 4,147.2 | 263.0 | 195.9 |
| Surplus or deficit (–)..... | –438.4 | –615.8 | –503.5 | –177.4 | 112.3 |
| NIPAs: | | | | | |
| Current receipts..... | 3,382.2 | 3,509.6 | 3,798.7 | 127.4 | 289.1 |
| Current expenditures..... | 3,988.9 | 4,232.2 | 4,454.1 | 243.3 | 221.9 |
| Net federal government saving..... | –606.7 | –722.6 | –655.4 | –115.9 | 67.2 |
| Differences | | | | | |
| Budget receipts less NIPA current receipts..... | –132.3 | –174.1 | –155.0 | –41.8 | 19.1 |
| Budget outlays less NIPA current expenditures..... | –300.6 | –280.9 | –306.9 | 19.7 | –26.0 |
| Budget deficit less NIPA net federal government saving..... | 168.3 | 106.8 | 151.9 | –61.5 | 45.1 |

1. For an historical perspective of the relationship between budget receipts and outlays and NIPA receipts and expenditures, see [NIPA table 3.18B](#).

Table 2. Relation of NIPA Federal Government Current Receipts to Budget Receipts
[Billions of dollars]

| | Fiscal year | | |
|---|----------------|----------------|----------------|
| | 2015 | 2016 | 2017 |
| Budget receipts | 3,249.9 | 3,335.5 | 3,643.7 |
| Less: Coverage differences | 32.3 | 34.4 | 36.3 |
| Contributions received by federal employee pension and insurance funds ¹ | 3.7 | 3.8 | 4.3 |
| Capital transfers received ² | 19.1 | 21.0 | 22.3 |
| Financial transactions | 0.0 | 0.0 | 0.0 |
| Other ³ | 9.5 | 9.6 | 9.7 |
| Less: Netting and grossing differences | -203.0 | -197.2 | -228.4 |
| Supplementary medical insurance premiums | -74.6 | -80.3 | -88.6 |
| Interest receipts | -41.3 | -39.2 | -45.0 |
| Current surplus of government enterprises | 6.0 | 12.6 | 6.0 |
| Other ⁴ | -93.1 | -90.3 | -100.8 |
| Plus: Timing differences | -38.4 | 11.3 | -37.2 |
| Taxes on corporate income | -3.4 | 26.5 | -13.4 |
| Federal and state unemployment insurance taxes | 0.7 | -1.3 | -0.5 |
| Withheld personal income tax and social security contributions | -23.3 | -19.5 | -31.4 |
| Excise taxes | 2.2 | 0.0 | 5.6 |
| Other | 3.3 | 3.8 | 3.5 |
| Equals: NIPA federal government current receipts | 3,382.2 | 3,509.6 | 3,798.7 |

NIPAs National income and product accounts

1. In the NIPAs, pension plans are treated as "pass-through" institutions that hold financial assets on behalf of households, which are the effective owners. Pension plans are classified as financial corporations that receive contributions and property income on behalf of plan participants but do not have saving or net worth of their own. NIPA table 7.23 shows transactions of the federal government defined-benefit pension subsectors.

2. Consists of estate and gift taxes.

3. Beginning with 1996, consists largely of Universal Service Fund receipts. Includes certain revenues collected from and repaid to U.S. territories and the Commonwealths of Puerto Rico and Northern Mariana Islands.

4. Includes proprietary receipts that are netted against outlays in the budget and that are classified as receipts in the NIPAs and some transactions that are not reflected in the budget but that are added to both receipts and expenditures in the NIPAs.

Sources: *Budget of the United States Government, Fiscal Year 2017* and the Bureau of Economic Analysis.

Acknowledgments

Translation of fiscal year 2017 federal budget data into the framework of the national income and product accounts (NIPAs) was conducted under the general direction of Pamela A. Kelly, Chief of the Government Division, and Mark S. Ludwick, Chief of the Federal Branch of the Government Division. The following economists contributed to the preparation of the NIPA federal government statistics presented in this article: Peter G. Beall, Stan J. Bellotti, Andrea L. Cook, Gregory R. Linder, Ann W. Miller, Kyle D. Mulgrew, Farah Naz, Michael D. Randall, Michelle D. Robinson, Mary L. Roy, Benyam M. Tsehay, Andrew E. Vargo, and Bryan A. Williams.

Budget Estimates

The *Budget* projects increases in federal receipts of \$85.6 billion in 2016 and \$308.2 billion in 2017 (table 5). Excluding the effects of legislative proposals, which are discussed in the next section, increases in federal receipts can be largely attributed to projected increases in economic activity and real GDP. Economic growth would result in an increased tax base that would increase individual and corporate income taxes and employment taxes.

Federal outlays are projected to increase \$263.0 billion in 2016 and \$195.9 billion in 2017 (table 6). The largest contributors to these increases are outlays in the social security, Medicare, health, and net interest bud-

Table 3. Relation of NIPA Federal Government Current Expenditures to Budget Outlays
[Billions of dollars]

| | Fiscal year | | |
|---|----------------|----------------|----------------|
| | 2015 | 2016 | 2017 |
| Budget outlays | 3,688.3 | 3,951.3 | 4,147.2 |
| Less: Coverage differences | -76.7 | -89.5 | -66.1 |
| Federal employee pension and insurance fund transactions ¹ | -92.4 | -94.9 | -99.2 |
| Interest accrued | -176.1 | -185.1 | -191.1 |
| Contributions accrued (employer) | -68.2 | -68.5 | -69.1 |
| Benefits paid | 151.7 | 158.5 | 160.8 |
| Administrative expenses | 0.2 | 0.2 | 0.2 |
| Financing disbursements from credit programs ² | -87.5 | -116.7 | -131.2 |
| Other differences in funds covered ³ | 10.9 | 12.5 | 12.7 |
| Net investment ⁴ | -8.3 | -3.1 | 5.8 |
| Capital transfers paid ⁵ | 68.9 | 68.5 | 74.0 |
| Financial transactions | 61.8 | 57.0 | 87.4 |
| Loan disbursements less loan repayments and sales | 74.3 | 70.7 | 91.2 |
| Deposit insurance | -3.7 | -0.3 | -0.1 |
| Net purchases of foreign currency | 0.0 | 0.0 | 0.0 |
| Other | -8.8 | -13.4 | -3.8 |
| Net purchases of nonproduced assets | -31.1 | -13.6 | -16.5 |
| Other ⁶ | 1.0 | 0.9 | 0.8 |
| Less: Netting and grossing differences | -203.0 | -197.2 | -228.4 |
| Supplementary medical insurance premiums | -74.6 | -80.3 | -88.6 |
| Interest receipts | -41.3 | -39.2 | -45.0 |
| Current surplus of government enterprises | 6.0 | 12.6 | 6.0 |
| Other ⁷ | -93.1 | -90.3 | -100.8 |
| Plus: Timing differences | 21.0 | -5.7 | 12.3 |
| Purchases (increase in payables net of advances) | 10.1 | -2.2 | 0.7 |
| Interest payments | 0.2 | 0.2 | 0.2 |
| Current transfer payments | 8.2 | -1.0 | 12.1 |
| Other ⁸ | 2.4 | -2.7 | -0.6 |
| Equals: NIPA federal government current expenditures | 3,988.9 | 4,232.2 | 4,454.1 |

NIPAs National income and product accounts

1. In the NIPAs, pension plans are treated as "pass-through" institutions that hold financial assets on behalf of households, which are the effective owners. Pension plans are classified as financial corporations that receive contributions and property income on behalf of plan participants but do not have saving or net worth of their own. NIPA table 7.23 shows transactions of the federal government defined-benefit pension subsectors. Contributions for publicly administered insurance funds are transactions with the household sector and include the Medicare-eligible Retiree Health Care Fund.

2. Consists of transactions (not included in the budget totals) that record all cash flows arising from post-1991 direct loan obligations and loan guarantee commitments. Many of these flows are for new loans or loan repayments; therefore, related entries are included in "Loan disbursements less loan repayments and sales."

3. Consists largely of agencies or accounts, such as the Postal Service and the Federal Financing Bank, that were not included in the budget in some periods, and the Universal Service Fund. Includes repayments of certain collections from the U.S. territories and the Commonwealths of Puerto Rico and Northern Mariana Islands.

4. Net investment is gross investment less consumption of fixed capital for government enterprises and general government.

5. Consists of investment grants to state and local governments and maritime construction subsidies. Excludes the forgiveness of debts owed by foreign governments to the U.S. government or payments to the Uniformed Services Retiree Health Care Fund to amortize unfunded liability; both are classified as capital transfers paid by the United States and are excluded from both budget outlays and NIPA current expenditures.

6. Consists largely of net expenditures of foreign currencies.

7. Includes proprietary receipts that are netted against outlays in the budget and that are classified as receipts in the NIPAs and some transactions that are not reflected in the budget data but that are added to both receipts and expenditures in the NIPAs.

8. Primarily includes timing on subsidies and government enterprises.

Sources: *Budget of the United States Government, Fiscal Year 2017* and the Bureau of Economic Analysis.

get functions. The deceleration in projected federal outlays in 2017 can be largely attributed to (1) a deceleration in outlays for Medicare benefits, (2) a downturn in outlays in the undistributed offsetting receipts function, which includes revenue from the auctioning of spectrum licenses, and (3) a deceleration in outlays in the veterans benefits and services function.

Proposed legislative and program changes

Budget estimates include projections of receipts and outlays based on current law as well as the projected effects of policy proposals. The effects of some policies that are not in current law are included in the *Budget's* current services baseline. This baseline is intended to best represent the expected deficit outlook and to serve as the most appropriate benchmark for measuring the effects of policy changes. The effects of additional policies that are included in budget estimates but not in the current services baseline are treated as proposed

Table 4. Relation of National Defense Consumption Expenditures and Gross Investment to National Defense Outlays

[Billions of dollars]

| | Fiscal year | | |
|--|--------------|--------------|--------------|
| | 2015 | 2016 | 2017 |
| Budget outlays for national defense | 589.6 | 604.5 | 617.0 |
| Department of Defense, military | 562.5 | 576.3 | 586.8 |
| Military personnel | 145.2 | 147.8 | 146.1 |
| Operation and maintenance | 247.2 | 248.2 | 255.3 |
| Procurement | 101.3 | 103.6 | 103.1 |
| Aircraft | 32.4 | 32.0 | 33.1 |
| Missiles | 6.4 | 7.3 | 6.3 |
| Ships | 13.7 | 14.6 | 14.8 |
| Weapons | 5.0 | 4.9 | 4.6 |
| Ammunition | 1.3 | 1.7 | 1.8 |
| Other ¹ | 42.5 | 43.0 | 42.3 |
| Research, development, test, and evaluation | 64.1 | 65.2 | 71.5 |
| Other | 4.6 | 11.5 | 10.8 |
| Atomic energy and other defense-related activities | 27.1 | 28.1 | 30.1 |
| Plus: Consumption of general government fixed capital | 161.8 | 164.0 | 163.6 |
| Additional payments to military and civilian retirement funds | 88.5 | 92.8 | 94.9 |
| Less: Grants-in-aid to state and local governments and net interest paid | 0.5 | 0.5 | 0.5 |
| Timing differences | -7.5 | 3.5 | 1.0 |
| Other differences | 107.2 | 107.0 | 110.0 |
| Equals: NIPA national defense consumption expenditures and gross investment | 739.6 | 750.3 | 763.9 |
| Less: National defense gross investment ² | 145.0 | 149.7 | 155.7 |
| Equals: NIPA national defense consumption expenditures | 594.6 | 600.6 | 608.2 |

NIPAs National income and product accounts

¹ Includes outlays for military construction, family housing, and anticipated funding for war operations.² Gross investment consists of general government expenditures for fixed assets; inventory investment is included in federal government consumption expenditures.

Sources: Budget of the United States Government, Fiscal Year 2017 and the Bureau of Economic Analysis.

Table 5. Budget Receipts by Source

[Billions of dollars]

| | Level for fiscal year | | | | Change from preceding year | | |
|--|-----------------------|----------------|----------------|----------------|----------------------------|-------------|--------------|
| | 2014 | 2015 | 2016 | 2017 | 2015 | 2016 | 2017 |
| Budget receipts | 3,021.5 | 3,249.9 | 3,335.5 | 3,643.7 | 228.4 | 85.6 | 308.2 |
| Individual income taxes | 1,394.6 | 1,540.8 | 1,627.8 | 1,788.0 | 146.2 | 87.0 | 160.1 |
| Corporation income taxes | 320.7 | 343.8 | 292.6 | 418.7 | 23.1 | -51.2 | 126.2 |
| Social insurance taxes and contributions | 1,023.5 | 1,065.3 | 1,100.8 | 1,141.2 | 41.8 | 35.5 | 40.4 |
| Excise taxes | 93.4 | 98.3 | 96.8 | 110.1 | 4.9 | -1.5 | 13.2 |
| Estate and gift taxes | 19.3 | 19.2 | 21.1 | 22.4 | -0.1 | 1.9 | 1.3 |
| Customs duties | 33.9 | 35.0 | 36.7 | 39.5 | 1.1 | 1.7 | 2.8 |
| Miscellaneous receipts | 136.1 | 147.5 | 159.7 | 122.8 | 11.3 | 12.2 | -36.8 |
| Other ¹ | 0.0 | 0.0 | 0.0 | 1.0 | 0.0 | 0.0 | 1.0 |

¹ Includes an increase in receipts resulting from a budget proposal to enact comprehensive immigration reform.

Source: Budget of the United States Government, Fiscal Year 2017.

Table 6. Budget Outlays by Function

[Billions of dollars]

| | Level for fiscal year | | | | Change from preceding year | | |
|--|-----------------------|----------------|----------------|----------------|----------------------------|--------------|--------------|
| | 2014 | 2015 | 2016 | 2017 | 2015 | 2016 | 2017 |
| Budget outlays | 3,506.1 | 3,688.3 | 3,951.3 | 4,147.2 | 182.2 | 263.0 | 195.9 |
| Social security | 850.5 | 887.8 | 929.4 | 972.6 | 37.2 | 41.7 | 43.2 |
| National defense | 603.5 | 589.6 | 604.5 | 617.0 | -13.9 | 14.9 | 12.5 |
| Income security | 513.6 | 508.8 | 528.2 | 535.9 | -4.8 | 19.3 | 7.7 |
| Medicare | 511.7 | 546.2 | 595.3 | 605.0 | 34.5 | 49.1 | 9.6 |
| Health | 409.4 | 482.2 | 525.9 | 567.6 | 72.8 | 43.6 | 41.7 |
| Net interest | 229.0 | 223.2 | 240.0 | 302.7 | -5.8 | 16.8 | 62.7 |
| Veterans benefits and services | 149.6 | 159.7 | 178.2 | 180.8 | 10.1 | 18.4 | 2.6 |
| Education, training, employment, and social services | 90.6 | 122.1 | 113.9 | 107.6 | 31.4 | -8.1 | -6.4 |
| Transportation | 91.9 | 89.5 | 92.4 | 100.2 | -2.4 | 2.8 | 7.9 |
| Administration of justice | 50.5 | 51.9 | 64.4 | 63.9 | 1.4 | 12.5 | -0.5 |
| International affairs | 46.7 | 48.6 | 46.4 | 55.8 | 1.9 | -2.1 | 9.4 |
| Natural resources and environment | 36.2 | 36.0 | 42.6 | 43.5 | -0.1 | 6.5 | 1.0 |
| Community and regional development | 20.7 | 20.7 | 27.9 | 21.1 | 0.0 | 7.2 | -6.7 |
| General science, space, and technology | 28.6 | 29.4 | 30.8 | 31.5 | 0.8 | 1.4 | 0.7 |
| General government | 26.9 | 21.0 | 24.5 | 29.3 | -5.9 | 3.5 | 4.8 |
| Agriculture | 24.4 | 18.5 | 25.6 | 26.2 | -5.9 | 7.1 | 0.6 |
| Energy | 5.3 | 6.8 | 7.5 | 7.2 | 1.6 | 0.6 | -0.3 |
| Allowances ¹ | 0.0 | 0.0 | 1.9 | 10.5 | 0.0 | 1.9 | 8.6 |
| Commerce and housing credit | -94.9 | -37.9 | -26.7 | -22.5 | 57.0 | 11.2 | 4.2 |
| Undistributed offsetting receipts ² | -88.0 | -115.8 | -101.2 | -108.5 | -27.8 | 14.6 | -7.3 |

¹ Allowances are included in budget totals to cover certain budgetary transactions that are expected to increase or decrease outlays, receipts, or budget authority but are not reflected in the program details.² Undistributed offsetting receipts are two categories of collections that are governmental in nature and that are not credited to expenditure accounts: receipts from performing business-like activities, such as proceeds from selling federal assets or leases, and shifts from one account to another, such as proceeds payments to retirement funds.

Source: Budget of the United States Government, Fiscal Year 2017.

legislation. If enacted, proposed legislation would increase federal receipts \$166.9 billion in 2017 and would decrease federal outlays \$0.6 billion in 2016 and increase outlays \$58.4 billion in 2017. The resulting net effect of proposed legislation would be to decrease the federal deficit \$0.6 billion in 2016 and decrease the federal deficit \$108.6 billion in 2017 (table 7).

Receipts

Legislative proposals that would significantly affect federal receipts in 2016 and 2017 include the following:

- Business tax reform would increase federal receipts by \$69.8 billion in 2017, primarily through increases in corporate tax receipts. Most of the increase would result from imposing a 19 percent minimum tax on foreign income and a one-time 14 percent tax on the accumulated earnings of controlled foreign corporations that were not previously subject to U.S. tax.
- A proposal to limit the rate at which itemized tax

Table 7. Proposed Legislative and Program Changes in the Budget

[Billions of dollars]

| | Fiscal year | |
|---|----------------|----------------|
| | 2016 | 2017 |
| Receipts | | |
| Current-services estimates | 3,335.5 | 3,476.8 |
| Plus: Proposed legislation excluding proposals assumed in the baseline ¹ | 0.0 | 166.9 |
| Business tax reform | 0.0 | 69.8 |
| Reduce the value of certain tax expenditures | | 31.1 |
| Increase excise taxes | | 22.9 |
| Rationalize Net Investment Income and SECA taxes | | 16.7 |
| Reform the taxation of capital income | | 14.8 |
| Implement a "Fair Share Tax" | | 7.8 |
| Other | 0.0 | 3.9 |
| Equals: The budget | 3,335.5 | 3,643.7 |
| Outlays | | |
| Current-services estimates | 3,951.9 | 4,088.9 |
| Plus: Program changes excluding proposals assumed in the baseline ¹ | -0.6 | 58.4 |
| By function: | | |
| National defense | | 7.4 |
| International affairs | | -1.1 |
| General science, space, and technology | | -0.3 |
| Energy | | 0.4 |
| Natural resources and environment | | -1.5 |
| Agriculture | | -1.3 |
| Commerce and housing credit | -0.6 | -1.3 |
| Transportation | | 4.1 |
| Community and regional development | | 2.1 |
| Education, training, employment, and social services | | 2.8 |
| Health | | 9.5 |
| Medicare | | -3.6 |
| Income security | | 9.3 |
| Social security | | 0.0 |
| Veterans benefits and services | | -1.9 |
| Administration of justice | | -5.0 |
| General government | | 5.3 |
| Net interest | 0.0 | -1.0 |
| Allowances ² | | 34.5 |
| Undistributed offsetting receipts | | -0.2 |
| By proposal: | | |
| Discretionary cap adjustments and program allocation changes | | 17.9 |
| Increased grants to states for Medicaid | | 9.0 |
| 21 st Century Clean Transportation Plan | | 5.4 |
| Implement comprehensive immigration reform | | 5.0 |
| Job Driven Training Proposals | | 3.4 |
| Other | -0.6 | 17.7 |
| Equals: The budget | 3,951.3 | 4,147.2 |
| Current-services surplus or deficit (-) | -616.4 | -612.1 |
| Plus: Proposed changes, receipts less outlays | 0.6 | 108.6 |
| Equals: Administration budget surplus or deficit (-) | -615.8 | -503.5 |

¹ Consistent with the budget, proposed legislation excludes budget reform proposals that are included in the baseline.² Allowances are included in budget totals to cover certain budgetary transactions that are expected to increase or decrease outlays, receipts, or budget authority but that are not reflected in the program details.

Sources: Budget of the United States Government, Fiscal Year 2017.

deductions can reduce tax liabilities would increase individual income tax receipts by \$31.1 billion in 2017.

- Proposals to increase and expand federal excise taxes on certain petroleum products and to increase excise tax rates on tobacco products would increase excise tax receipts by a combined \$22.9 billion in 2017.
- A proposal to ensure that all business income is subject to either Net Investment Income Taxes or the Self-Employment Contributions Act tax would increase income and employment tax receipts by a combined \$16.7 billion in 2017.
- A proposal to reform the taxation of capital income, including the recognition of gains on investments that are transferred at death or as gifts, would increase individual tax receipts by \$14.8 billion in 2017.
- A proposal to implement a “Fair Share Tax” would increase individual income tax receipts by \$7.8 billion in 2017. This tax would require individuals with annual incomes of over \$1 million to pay a minimum percentage of their income after charitable contributions in taxes.

Outlays

Legislative proposals that would significantly affect federal outlays in 2016 and 2017 include the following:

- The current services baseline includes reductions in budget outlays to adhere to discretionary budget authority cap levels for base programs in the Budget Control Act of 2011. Proposals to shift funds to faster spending accounts within base programs and proposals for spending subject to cap adjustments, such as disaster and wildfire spending, would increase outlays by a combined \$17.9 billion in 2017.
- Proposed increases in funding for Medicaid and Children’s Health Insurance Program would increase grants-in-aid to state governments by \$9.0 billion in 2017. Most of these increases would reestablish an increase in primary care reimbursement rates to Medicaid providers.
- A proposal to invest in building a “clean” transportation system that is less reliant on carbon-producing fuels would increase outlays by \$5.4 billion in 2017.
- A proposal to implement comprehensive immigration reform, including increased spending on border security measures, would increase outlays by \$5.0 billion in 2017.
- Proposed skills-development and employment initiatives would increase outlays by a combined \$3.4 billion in 2017.

NIPA Estimates

Fiscal year estimates

Receipts. NIPA federal government current receipts are projected to increase \$127.3 billion in 2016 and \$289.2 billion in 2017 (table 8 and chart 2). The acceleration in 2017 is primarily due to the effect of proposed legislation on taxes on corporate income, personal current taxes, and taxes on production and imports.

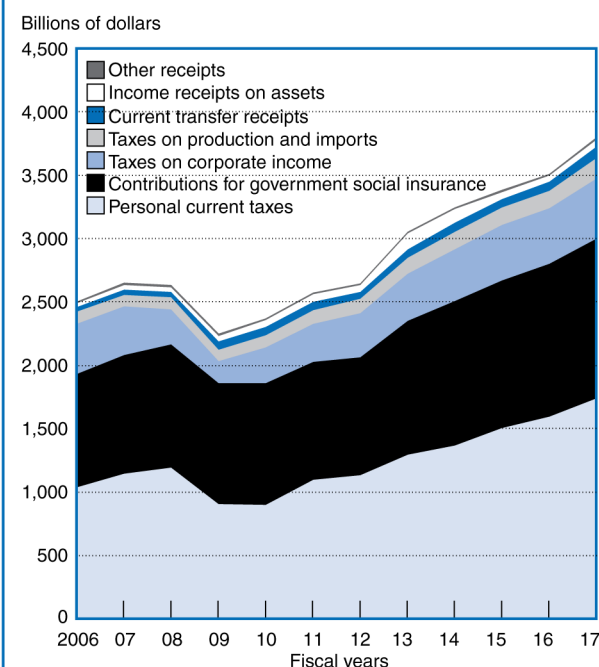
**Table 8. Sources of Change in
NIPA Federal Government Current Receipts**
[Billions of dollars]

| | Change from preceding fiscal year | | |
|---|-----------------------------------|--------------|--------------|
| | 2015 | 2016 | 2017 |
| Total current receipts | 135.6 | 127.3 | 289.2 |
| Current tax receipts | 166.9 | 91.4 | 202.2 |
| Personal current taxes | 133.1 | 93.4 | 144.1 |
| Due to tax bases | 133.1 | 93.4 | 94.0 |
| Due to proposed legislation | 0.0 | 0.0 | 50.1 |
| Taxes on production and imports | 7.8 | -1.2 | 23.4 |
| Due to tax bases | 7.8 | -1.2 | -0.2 |
| Due to proposed legislation | 0.0 | 0.0 | 23.6 |
| Taxes on corporate income | 24.0 | -1.2 | 34.7 |
| Due to tax bases | 24.0 | -1.2 | -45.3 |
| Due to proposed legislation | 0.0 | 0.0 | 80.0 |
| Taxes from the rest of the world | 2.0 | 0.4 | 0.0 |
| Contributions for government social insurance | 31.0 | 39.0 | 54.8 |
| Due to tax bases | 31.0 | 39.0 | 54.3 |
| Due to proposed legislation | 0.0 | 0.0 | 0.5 |
| Income receipts on assets | -54.2 | -3.4 | 6.5 |
| Current transfer receipts | -11.3 | 6.8 | 18.8 |
| Current surplus of government enterprises | 3.2 | -6.4 | 7.0 |
| Addenda: | | | |
| Total due to tax bases | 195.9 | 130.0 | 102.8 |
| Total due to proposed legislation | 0.0 | 0.0 | 154.2 |

NIPAs National income and product accounts

Sources: Budget of the United States Government, Fiscal Year 2017 and the Bureau of Economic Analysis.

Chart 2. Federal Government Current Receipts



Sources: Office of Management and Budget and Bureau of Economic Analysis

Expenditures. NIPA federal government current expenditures are projected to increase \$243.3 billion in 2016 and \$221.9 billion in 2017 (table 9 and chart 3). The deceleration in 2017 is primarily due to decelerations in social benefits, primarily Medicare benefits, and in grants-in-aid to state and local governments.

Quarterly estimates

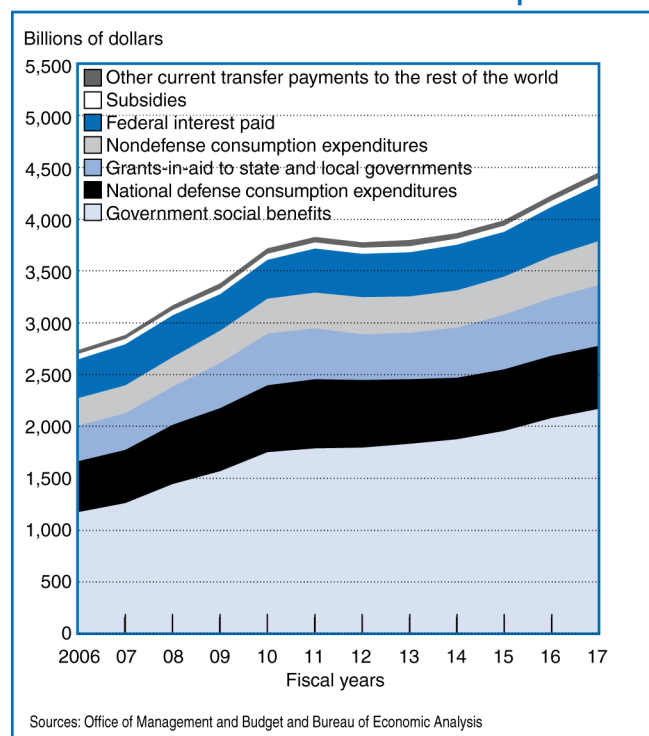
Seasonally adjusted quarterly NIPA estimates of federal government current receipts and current expenditures for 2016 and 2017 are based on enacted and proposed legislation described in the *Federal Budget* (table 10).

**Table 9. Sources of Change in
NIPA Federal Government Current Expenditures**
[Billions of dollars]

| | Change from preceding fiscal year | | |
|---|-----------------------------------|--------------|--------------|
| | 2015 | 2016 | 2017 |
| Total current expenditures | 125.3 | 243.3 | 221.9 |
| Consumption expenditures | 7.0 | 39.4 | 32.2 |
| National defense | -28.0 | 6.0 | 7.6 |
| Pay raise and locality pay | 0.0 | 2.9 | 3.2 |
| Other | -28.0 | 3.1 | 4.4 |
| Nondefense | 16.9 | 33.5 | 24.7 |
| Pay raise and locality pay | 0.0 | 0.9 | 1.4 |
| Other | 16.9 | 32.5 | 23.3 |
| Current transfer payments | 125.7 | 158.3 | 114.5 |
| Government social benefits to persons | 76.9 | 121.4 | 85.7 |
| Government social benefits to the rest of the world | 1.3 | 1.4 | 1.4 |
| Grants-in-aid to state and local governments | 46.1 | 36.6 | 25.3 |
| Other current transfer payments paid to the rest of the world | 1.5 | -1.1 | 2.1 |
| Federal interest paid | -6.1 | 41.1 | 70.0 |
| Subsidies | -1.4 | 4.5 | 5.2 |

NIPAs National income and product accounts
Source: Bureau of Economic Analysis.

Chart 3. Federal Government Current Expenditures



Quarterly estimates are extrapolated from published NIPA estimates for the fourth quarter of 2015, which were released on March 25, 2016.² The quarterly patterns of these extrapolated NIPA estimates are based on the fiscal year estimates and economic assumptions from the *Budget*, and on expectations about the timing of receipts and expenditures related to specific government programs or policy proposals. For example, the quarterly patterns of some estimates of NIPA receipts are based on the administration's projected pattern of wages. Cost-of-living increases for social security and certain other programs are incorporated into estimates of NIPA expenditures in the first quarter of each calendar year.

Because these quarterly projections are based on budget estimates and assumptions about the current year and the budget year, they should be viewed as approximations. Improvements will be made to these estimates as actual receipts and spending occur, as economic conditions change, as new laws are enacted, and as more source data become available. More reliable contemporaneous estimates will be published monthly in NIPA table 3.2 and related underlying tables.

Translating Budget Estimates into a NIPA Framework

Receipts

Budget estimates of government receipts are allocated into five major NIPA receipts categories: current tax receipts, contributions for government social insurance, income receipts on assets, current transfer receipts, and current surplus of government enterprises. These allocations are based on information and assumptions from the *Budget* and on projections of the effects of specific budget proposals from the Department of the Treasury's Office of Tax Analysis. The quarterly projections in table 10 will be constantly re-evaluated and revised to incorporate new data as they become available, including data from the *Monthly Treasury Statement*.

Outlays

Budget estimates of government outlays are organized by appropriation in the *Budget's Appendix*. These data and supplemental data from the Office of Management and Budget are used to allocate federal budget outlays into four major NIPA expenditures categories: current transfer payments, interest payments, subsidies, and consumption expenditures and gross investment. The

2. Because quarterly NIPA estimates are extrapolated from published estimates, the average of the four fiscal year quarters may not equal the displayed fiscal year values, which are consistent with budget data.

allocations of budget outlays into these categories will be used, along with supplemental administrative data, to inform how federal government spending reported in the *Monthly Treasury Statement* is allocated into NIPA expenditure categories to produce quarterly

NIPA estimates.

As quarterly NIPA estimates are published by BEA, estimates of defense consumption expenditures and gross investment will be reconciled with outlays using financial, delivery, and other information from the

Table 10. NIPA Federal Government Current Receipts and Expenditures—Continues

[Billions of dollars; calendar year and quarters at seasonally adjusted annual rates]

| Line | | Fiscal year estimates ¹ | | | Calendar year | | Quarter | | | | | | | | | | |
|------|---|------------------------------------|----------------|----------------|------------------------|----------------|------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | | | | Published ² | Estimated | Published ² | | | | Estimated | | | | | | |
| | | | | | | | 2015 | | | | 2016 | | | | 2017 | | |
| | | 2015 | 2016 | 2017 | 2015 | 2016 | I | II | III | IV | I | II | III | IV | I | II | III |
| 1 | Current receipts | 3,382.2 | 3,509.6 | 3,798.7 | 3,431.5 | 3,567.6 | 3,356.5 | 3,440.4 | 3,468.1 | 3,461.0 | 3,519.0 | 3,549.4 | 3,579.0 | 3,622.9 | 3,848.3 | 3,884.0 | 3,920.3 |
| 2 | Current tax receipts | 2,104.4 | 2,195.7 | 2,397.9 | 2,134.5 | 2,222.3 | 2,085.1 | 2,146.0 | 2,156.3 | 2,150.7 | 2,198.6 | 2,215.4 | 2,228.1 | 2,247.0 | 2,437.8 | 2,458.2 | 2,481.9 |
| 3 | Personal current taxes | 1,503.8 | 1,597.2 | 1,741.3 | 1,536.0 | 1,622.0 | 1,501.0 | 1,527.2 | 1,547.1 | 1,568.5 | 1,590.0 | 1,609.3 | 1,631.7 | 1,657.2 | 1,746.5 | 1,773.3 | 1,798.4 |
| 4 | Withheld income taxes | 1,202.0 | 1,259.7 | 1,325.3 | 1,216.4 | 1,274.1 | 1,190.6 | 1,210.4 | 1,224.3 | 1,240.5 | 1,251.9 | 1,265.8 | 1,281.0 | 1,297.5 | 1,314.7 | 1,334.1 | 1,355.0 |
| 5 | Declarations and final settlements less refunds | 301.8 | 337.5 | 416.0 | 319.5 | 348.0 | 310.5 | 316.8 | 322.8 | 328.0 | 338.1 | 343.5 | 350.7 | 359.6 | 431.8 | 439.3 | 443.4 |
| 6 | Proposed legislation | 0.0 | 0.0 | 50.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 66.8 | 66.8 | 66.8 |
| 7 | Other | 301.8 | 337.5 | 365.9 | 319.5 | 348.0 | 310.5 | 316.8 | 322.8 | 328.0 | 338.1 | 343.5 | 350.7 | 359.6 | 365.0 | 372.5 | 376.6 |
| 8 | Taxes on production and imports | 142.5 | 141.2 | 164.6 | 142.6 | 147.7 | 140.5 | 145.3 | 140.2 | 144.5 | 142.5 | 143.7 | 145.8 | 158.9 | 168.4 | 170.6 | 171.9 |
| 9 | Proposed legislation | 0.0 | 0.0 | 23.6 | 0.0 | 2.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 10.3 | 28.0 | 28.0 | 28.0 |
| 10 | Other | 142.5 | 141.2 | 141.1 | 142.6 | 145.1 | 140.5 | 145.3 | 140.2 | 144.5 | 142.5 | 143.7 | 145.8 | 148.7 | 140.4 | 142.6 | 143.9 |
| 11 | Taxes on corporate income ³ | 434.8 | 433.6 | 468.2 | 431.2 | 427.8 | 419.0 | 448.7 | 443.6 | 413.7 | 441.4 | 437.7 | 426.0 | 406.2 | 498.2 | 489.5 | 486.9 |
| 12 | Federal Reserve Banks | 97.0 | 117.0 | 65.5 | 94.7 | 110.8 | 88.9 | 94.5 | 98.2 | 97.1 | 125.2 | 121.4 | 108.9 | 87.6 | 71.0 | 59.1 | 51.9 |
| 13 | Other corporate profit tax accruals | 337.8 | 316.5 | 402.8 | 336.5 | 317.1 | 330.0 | 354.1 | 345.4 | 316.5 | 316.2 | 316.3 | 317.1 | 318.6 | 427.1 | 430.4 | 435.0 |
| 14 | Proposed legislation | 0.0 | 0.0 | 80.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 106.7 | 106.7 | 106.7 |
| 15 | Other | 337.8 | 316.5 | 322.8 | 336.5 | 317.0 | 330.0 | 354.1 | 345.4 | 316.5 | 316.2 | 316.3 | 317.1 | 318.5 | 320.5 | 323.7 | 328.3 |
| 16 | Taxes from the rest of the world | 23.4 | 23.8 | 23.8 | 24.7 | 24.7 | 24.6 | 24.8 | 25.4 | 23.9 | 24.7 | 24.7 | 24.7 | 24.7 | 24.7 | 24.7 | 24.7 |
| 17 | Contributions for social insurance | 1,168.6 | 1,207.6 | 1,262.3 | 1,189.0 | 1,233.2 | 1,172.2 | 1,185.3 | 1,194.4 | 1,204.0 | 1,217.5 | 1,227.6 | 1,238.4 | 1,249.4 | 1,275.7 | 1,285.4 | 1,295.2 |
| 18 | Domestic | 1,163.1 | 1,202.1 | 1,256.7 | 1,183.7 | 1,227.8 | 1,167.0 | 1,180.1 | 1,189.1 | 1,198.7 | 1,212.2 | 1,222.2 | 1,233.0 | 1,244.0 | 1,270.3 | 1,279.9 | 1,289.7 |
| 19 | Old age, survivors, disability, and hospital insurance | 1,021.6 | 1,057.7 | 1,102.8 | 1,040.5 | 1,079.4 | 1,023.6 | 1,036.8 | 1,045.9 | 1,055.7 | 1,065.0 | 1,074.5 | 1,084.2 | 1,093.7 | 1,113.0 | 1,121.9 | 1,131.3 |
| 20 | Tax on wages and salaries (FICA, gross) | 960.4 | 996.4 | 1,038.5 | 975.4 | 1,011.5 | 959.2 | 972.0 | 980.7 | 989.9 | 998.3 | 1,006.9 | 1,015.9 | 1,024.8 | 1,042.8 | 1,051.3 | 1,060.5 |
| 21 | Proposed legislation | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 22 | Rate change | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 23 | Base increases | 0.0 | 0.0 | 6.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 8.6 | 8.6 | 8.6 |
| 24 | January 2015 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 25 | January 2016 | 6.4 | 6.4 | 6.4 | 6.4 | 6.4 | 6.4 | 6.4 | 6.4 | 6.4 | 6.4 | 6.4 | 6.4 | 6.4 | 6.4 | 6.4 | 6.4 |
| 26 | Other | 960.4 | 996.4 | 1,032.1 | 975.4 | 1,011.5 | 959.2 | 972.0 | 980.7 | 989.9 | 998.3 | 1,006.9 | 1,015.9 | 1,024.8 | 1,042.8 | 1,051.3 | 1,060.5 |
| 27 | FICA refunds | -2.4 | -2.6 | -2.8 | -2.9 | -3.2 | -2.9 | -2.9 | -2.9 | -2.9 | -3.2 | -3.2 | -3.2 | -3.2 | -3.3 | -3.3 | -3.3 |
| 28 | Voluntary hospital insurance | 3.3 | 3.4 | 3.6 | 3.4 | 3.7 | 3.3 | 3.4 | 3.5 | 3.6 | 3.6 | 3.7 | 3.7 | 3.8 | 3.8 | 3.9 | 3.9 |
| 29 | Tax on self-employment earnings (SECA) | 60.2 | 60.5 | 63.5 | 64.6 | 67.5 | 64.1 | 64.3 | 64.7 | 65.2 | 66.3 | 67.2 | 67.9 | 68.4 | 69.7 | 70.0 | 70.2 |
| 30 | Proposed legislation | 0.0 | 0.0 | 0.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.7 | 0.7 | 0.7 |
| 31 | Base increases | 0.0 | 0.1 | 0.3 | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 | 0.1 | 0.1 | 0.4 | 0.4 | 0.4 |
| 32 | Other | 60.2 | 60.5 | 62.7 | 64.6 | 67.3 | 64.1 | 64.3 | 64.7 | 65.2 | 66.2 | 67.1 | 67.8 | 68.3 | 68.7 | 69.0 | 69.2 |
| 33 | Supplementary medical insurance | 70.5 | 75.9 | 83.8 | 70.7 | 77.0 | 70.6 | 70.7 | 70.7 | 70.8 | 75.6 | 76.3 | 77.4 | 78.8 | 83.3 | 84.0 | 84.4 |
| 34 | Unemployment insurance | 52.8 | 49.5 | 50.8 | 55.0 | 53.8 | 55.0 | 55.0 | 55.0 | 54.9 | 54.1 | 53.9 | 53.7 | 53.6 | 56.0 | 56.0 | 56.0 |
| 35 | Other | 18.1 | 18.9 | 19.4 | 17.5 | 17.6 | 17.7 | 17.5 | 17.2 | 17.4 | 17.4 | 17.6 | 17.7 | 17.8 | 17.9 | 18.0 | 18.0 |
| 36 | Rest of the world | 5.5 | 5.5 | 5.6 | 5.3 | 5.4 | 5.2 | 5.2 | 5.3 | 5.3 | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 | 5.5 | 5.5 |
| 37 | Income receipts on assets | 52.8 | 49.4 | 55.9 | 51.0 | 56.5 | 45.7 | 44.5 | 69.5 | 44.3 | 55.0 | 55.9 | 56.9 | 58.2 | 59.3 | 60.3 | 61.1 |
| 38 | Interest receipts | 25.1 | 27.5 | 30.7 | 26.1 | 28.9 | 25.4 | 25.3 | 26.9 | 26.7 | 27.8 | 28.5 | 29.3 | 30.1 | 31.0 | 31.8 | 32.5 |
| 39 | Dividends | 20.6 | 16.2 | 18.8 | 16.1 | 18.6 | 11.4 | 10.5 | 33.4 | 9.1 | 18.4 | 18.7 | 18.7 | 18.8 | 18.8 | 18.8 | 18.8 |
| 40 | Rents and royalties | 7.1 | 5.7 | 6.4 | 8.9 | 8.9 | 8.9 | 8.7 | 9.3 | 8.5 | 8.7 | 8.8 | 8.9 | 9.3 | 9.5 | 9.7 | 9.8 |
| 41 | Current transfer receipts | 63.0 | 69.8 | 88.6 | 65.5 | 66.1 | 61.6 | 72.6 | 55.9 | 71.7 | 58.5 | 61.6 | 66.4 | 77.8 | 82.9 | 86.2 | 87.9 |
| 42 | From business | 33.1 | 38.1 | 54.4 | 36.7 | 39.1 | 31.9 | 37.7 | 32.2 | 45.2 | 32.1 | 35.2 | 40.0 | 49.1 | 54.0 | 57.3 | 58.9 |
| 43 | From persons | 23.1 | 25.2 | 27.9 | 22.2 | 22.7 | 22.5 | 22.0 | 21.9 | 22.2 | 22.1 | 22.1 | 22.2 | 24.6 | 24.8 | 24.9 | 25.0 |
| 44 | From the rest of the world | 6.8 | 6.5 | 6.2 | 6.6 | 4.3 | 7.2 | 12.9 | 1.8 | 4.4 | 4.4 | 4.3 | 4.2 | 4.1 | 4.1 | 4.0 | 4.0 |
| 45 | Current surplus of government enterprises | -6.6 | -12.9 | -6.0 | -8.5 | -10.5 | -8.1 | -8.0 | -8.1 | -9.7 | -10.5 | -11.1 | -10.8 | -9.6 | -7.3 | -6.0 | -5.7 |
| 46 | Postal Service | -3.7 | -4.5 | -3.6 | -3.2 | -3.0 | -2.7 | -3.0 | -3.3 | -3.9 | -3.1 | -3.1 | -3.0 | -2.9 | -2.8 | -2.7 | -2.8 |
| 47 | Federal Housing Administration | -3.1 | -8.7 | -1.4 | -5.1 | -7.0 | -5.2 | -4.8 | -4.6 | -5.6 | -7.2 | -7.7 | -7.3 | -5.9 | -3.6 | -2.2 | -1.7 |
| 48 | Tennessee Valley Authority | 2.7 | 2.7 | 2.4 | 2.0 | 2.0 | 1.9 | 2.0 | 2.1 | 2.0 | 2.0 | 2.0 | 2.0 | 1.9 | 1.8 | 1.8 | 1.8 |
| 49 | Other | -2.5 | -2.5 | -3.4 | -2.2 | -2.4 | -2.1 | -2.2 | -2.3 | -2.3 | -2.3 | -2.3 | -2.4 | -2.6 | -2.8 | -2.9 | -3.0 |
| 50 | Current expenditures | 3,988.9 | 4,232.2 | 4,454.1 | 4,023.2 | 4,225.6 | 3,935.8 | 4,014.6 | 4,079.8 | 4,062.7 | 4,150.1 | 4,196.1 | 4,252.8 | 4,303.4 | 4,390.5 | 4,415.1 | 4,438.8 |
| 51 | Consumption expenditures | 962.1 | 1,001.6 | 1,033.8 | 960.6 | 985.0 | 956.7 | 957.2 | 961.3 | 967.3 | 976.4 | 983.7 | 986.8 | 992.9 | 1,008.5 | 1,018.8 | 1,021.1 |
| 52 | National defense | 594.6 | 600.6 | 608.2 | 595.9 | 601.4 | 595.2 | 595.2 | 594.8 | 598.6 | 601.0 | 602.9 | 601.8 | 600.0 | 607.2 | 613.1 | 612.4 |
| 53 | Pay raises and locality pay | 0.0 | 2.9 | 6.0 | 0.0 | 3.8 | 0.0 | 0.0 | 0.0 | 0.0 | 3.8 | 3.8 | 3.8 | 3.8 | 6.8 | 6.8 | 6.8 |
| 54 | January 2015 | 0.0 | 2.9 | 3.8 | 0.0 | 3.8 | 0.0 | 0.0 | 0.0 | 0.0 | 3.8 | 3.8 | 3.8 | 3.8 | 3.8 | 3.8 | 3.8 |
| 55 | January 2016 | 0.0 | 0.0 | 2.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 2.9 | 2.9 | 2.9 |
| 56 | Other | 594.6 | 597.7 | 602.2 | 595.9 | 597.6 | 595.2 | 594.8 | 598.6 | 597.2 | 599.0 | 597.9 | 596.2 | 600.4 | 606.3 | 605.7 | 605.7 |
| 57 | Nondefense | 367.5 | 401.0 | 425.6 | 364.7 | 383.6 | 361.5 | 362.0 | 366.5 | 368.7 | 375.4 | 380.9 | 385.1 | 392.9 | 401.3 | 405.7 | 408.7 |
| 58 | Pay raises and locality pay | 0.0 | 0.9 | 2.3 | 0.0 | 1.3 | 0.0 | 0.0 | 0.0 | 0.0 | 1.3 | 1.3 | 1.3 | 1.3 | 2.7 | 2.7 | 2.7 |
| 59 | January 2015 | 0.0 | 0.9 | 1.3 | 0.0 | 1.3 | 0.0 | 0.0 | 0.0 | 0.0 | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 |
| 60 | January 2016 | 0.0 | 0.0 | 1.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.4 | 1.4 | 1.4 |
| 61 | Other | 367.5 | 400.0 | 423.3 | 364.7 | 382.3 | 361.5 | 362.0 | 366.5 | 368.7 | 374.1 | 379.6 | 383.8 | 391.6 | 398.6 | 403.0 | 406.0 |
| 62 | Current transfer payments | 2,538.2 | 2,696.5 | 2,811.0 | 2,564.3 | 2,694.0 | 2,539.4 | 2,542.2 | 2,582.2 | 2,593.4 | 2,657.2 | 2,678.0 | 2,710.4 | 2,730.5 | 2,783.5 | 2,785.0 | 2,799.7 |
| 63 | Government social benefits | 1,958.9 | 2,081.6 | 2,168.8 | 1,979.9 | 2,080.3 | 1,955.5 | 1,974.9 | 1,987.0 | 2,002.4 | 2,048.6 | 2,072.5 | 2,092.0 | 2,108.0 | 2,146.7 | 2,153.9 | 2,157.3 |
| 64 | To persons | 1,938.3 | 2,059.7 | 2,145.4 | 1,959.7 | 2,058.7 | 1,935.7 | 1,954.7 | 1,966.4 | 1,981.8 | 2,027.6 | 2,051.1 | 2,070.3 | 2,085.9 | 2,124.2 | 2,131.2 | 2,134.4 |

Department of Defense. For nondefense expenditures, extrapolations of budget data will be used to estimate some categories of spending, including expenditures for durable goods, other nondurable goods, services, and equipment for which no quarterly source data are

available. Other categories of spending will incorporate quarterly source data, such as data for construction from the Census Bureau and for compensation from the Office of Personnel Management and the Bureau of Labor Statistics.

Table 10. NIPA Federal Government Current Receipts and Expenditures—Table Ends

[Billions of dollars; calendar year and quarters at seasonally adjusted annual rates]

| Line | | Fiscal year estimates ¹ | | | | Calendar year | | Quarter | | | | | | | | | |
|-----------------|--|------------------------------------|---------------|---------------|---------------|------------------------|---------------|------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | | | | | Published ² | Estimated | Published ² | | | | Estimated | | | | | |
| | | | | | | | | 2015 | | | | 2016 | | | | 2017 | |
| | | 2015 | 2016 | 2017 | 2015 | 2016 | I | II | III | IV | I | II | III | IV | I | II | III |
| 66 | Regular | 862.3 | 903.5 | 940.5 | 871.8 | 908.8 | 861.6 | 869.4 | 874.5 | 881.7 | 892.4 | 903.2 | 914.2 | 925.2 | 933.5 | 939.1 | 941.8 |
| 67 | Benefit increases | 0.0 | 0.0 | 5.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 7.5 | 7.5 | 7.5 |
| 68 | January 2015 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 69 | January 2016 | 0.0 | 0.0 | 5.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 7.5 | 7.5 | 7.5 |
| 70 | Medicare | 608.9 | 669.1 | 690.3 | 619.8 | 661.7 | 609.8 | 615.3 | 622.5 | 631.4 | 648.2 | 660.3 | 667.8 | 670.6 | 672.8 | 674.2 | 674.9 |
| 71 | Unemployment benefits | 40.5 | 40.1 | 39.7 | 33.3 | 31.2 | 35.0 | 33.1 | 32.9 | 32.2 | 31.6 | 31.2 | 31.0 | 31.1 | 31.1 | 31.1 | 31.1 |
| 72 | Veterans benefits | 91.9 | 98.9 | 103.9 | 94.3 | 101.4 | 90.7 | 94.0 | 95.0 | 97.7 | 99.2 | 100.7 | 102.2 | 103.6 | 104.7 | 105.4 | 105.8 |
| 73 | Railroad retirement | 12.1 | 13.2 | 12.6 | 12.2 | 12.4 | 12.2 | 12.2 | 12.2 | 12.3 | 12.5 | 12.6 | 12.5 | 12.1 | 11.8 | 11.7 | 11.6 |
| 74 | Military medical insurance | 15.3 | 13.8 | 15.3 | 13.9 | 13.3 | 14.1 | 14.0 | 13.9 | 13.4 | 13.0 | 12.9 | 13.3 | 14.0 | 14.6 | 14.9 | 15.1 |
| 75 | Supplemental Nutrition Assistance Program benefits | 69.6 | 70.2 | 68.9 | 68.8 | 68.3 | 69.4 | 68.7 | 68.6 | 68.5 | 68.6 | 68.4 | 68.1 | 68.2 | 67.4 | 66.6 | 66.0 |
| 76 | Black lung benefits | 0.2 | 0.3 | 0.2 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.2 |
| 77 | Supplemental security income | 52.7 | 53.2 | 54.2 | 52.2 | 53.2 | 51.9 | 52.1 | 52.3 | 52.7 | 52.8 | 53.0 | 53.3 | 53.6 | 53.9 | 54.1 | 54.2 |
| 78 | Refundable tax credits | 120.8 | 134.4 | 152.1 | 125.9 | 141.0 | 124.5 | 128.3 | 126.6 | 124.3 | 141.0 | 141.0 | 141.0 | 141.0 | 159.6 | 159.6 | 159.6 |
| 79 | All other | 63.9 | 63.0 | 62.1 | 67.1 | 67.0 | 66.1 | 67.3 | 67.7 | 67.3 | 68.0 | 67.4 | 66.7 | 66.0 | 67.0 | 66.6 | 66.5 |
| 80 | To rest of the world | 20.6 | 21.9 | 23.3 | 20.3 | 21.5 | 19.8 | 20.1 | 20.6 | 20.6 | 21.0 | 21.3 | 21.7 | 22.2 | 22.5 | 22.7 | 22.9 |
| 81 | Grants-in-aid to state and local governments | 526.0 | 562.6 | 587.9 | 532.0 | 564.0 | 525.5 | 520.2 | 539.2 | 542.9 | 552.9 | 561.3 | 568.3 | 573.6 | 579.0 | 584.3 | 589.5 |
| 82 | General public service | 1.7 | 2.5 | 3.6 | 1.5 | 2.5 | 1.6 | 1.4 | 1.4 | 1.6 | 2.0 | 2.4 | 2.7 | 3.0 | 3.2 | 3.4 | 3.4 |
| 83 | National defense | 0.6 | 0.6 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.6 | 0.6 | 0.6 | 0.7 | 0.7 | 0.7 | 0.7 | 0.8 |
| 84 | Public order and safety | 5.6 | 6.1 | 5.0 | 5.6 | 4.5 | 6.3 | 6.0 | 5.7 | 4.4 | 4.7 | 4.7 | 4.5 | 3.9 | 3.6 | 3.3 | 3.2 |
| 85 | Economic affairs | 10.4 | 10.6 | 14.9 | 10.1 | 10.6 | 10.3 | 10.7 | 10.8 | 8.8 | 9.1 | 9.8 | 10.9 | 12.5 | 13.7 | 14.5 | 15.0 |
| 86 | Transportation ³ | 0.1 | 0.1 | 0.3 | 0.2 | 0.2 | 0.1 | 0.2 | 0.2 | 0.1 | 0.1 | 0.2 | 0.2 | 0.2 | 0.3 | 0.3 | 0.3 |
| 87 | Space | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 88 | Other economic affairs | 10.3 | 10.4 | 14.6 | 10.0 | 10.4 | 10.2 | 10.5 | 10.6 | 8.7 | 8.9 | 9.6 | 10.7 | 12.3 | 13.5 | 14.3 | 14.6 |
| 89 | General economic and labor affairs | 3.5 | 4.0 | 7.9 | 3.6 | 4.0 | 4.2 | 4.1 | 3.8 | 2.4 | 2.6 | 3.3 | 4.4 | 5.8 | 6.9 | 7.7 | 8.0 |
| 90 | Agriculture | 1.2 | 1.3 | 1.2 | 1.2 | 0.9 | 1.0 | 1.2 | 1.9 | 0.8 | 0.9 | 0.9 | 0.9 | 0.8 | 0.8 | 0.7 | 0.7 |
| 91 | Energy | 0.8 | 1.0 | 1.1 | 0.9 | 1.3 | 0.6 | 0.8 | 0.9 | 1.2 | 1.3 | 1.3 | 1.3 | 1.4 | 1.4 | 1.5 | 1.5 |
| 92 | Natural resources | 4.8 | 4.2 | 4.4 | 4.3 | 4.1 | 4.4 | 4.4 | 4.1 | 4.3 | 4.1 | 4.1 | 4.1 | 4.2 | 4.3 | 4.4 | 4.4 |
| 93 | Housing and community services | 18.7 | 20.5 | 22.7 | 20.7 | 24.9 | 15.9 | 20.9 | 22.5 | 23.4 | 23.9 | 24.5 | 25.2 | 25.9 | 26.4 | 26.8 | 26.9 |
| 94 | Health | 360.3 | 382.9 | 401.0 | 366.6 | 393.3 | 363.2 | 353.8 | 368.9 | 380.6 | 386.2 | 391.3 | 395.8 | 399.8 | 404.1 | 408.7 | 413.6 |
| 95 | Medicaid | 349.1 | 366.5 | 384.8 | 355.4 | 377.6 | 353.4 | 343.6 | 357.7 | 366.9 | 371.0 | 375.3 | 379.8 | 384.3 | 389.1 | 393.9 | 399.0 |
| 96 | Prescription drug plan clawback | -8.8 | -9.6 | -10.6 | -8.9 | -9.8 | -8.6 | -8.7 | -9.0 | -9.2 | -9.4 | -9.7 | -10.0 | -10.3 | -10.6 | -10.7 | -10.8 |
| 97 | Other | 20.1 | 26.0 | 26.8 | 20.1 | 25.5 | 18.4 | 18.9 | 20.2 | 22.9 | 24.6 | 25.6 | 26.0 | 25.8 | 25.6 | 25.5 | 25.4 |
| 98 | Recreation and culture | 0.5 | 0.4 | 0.3 | 0.4 | 0.4 | 0.4 | 0.4 | 0.3 | 0.5 | 0.4 | 0.4 | 0.3 | 0.3 | 0.2 | 0.2 | 0.2 |
| 99 | Education | 38.0 | 39.4 | 37.9 | 37.3 | 36.0 | 37.7 | 37.0 | 38.6 | 36.0 | 36.4 | 36.4 | 36.1 | 35.4 | 34.9 | 34.5 | 34.4 |
| 100 | Income security | 90.2 | 99.5 | 101.7 | 89.0 | 91.3 | 89.4 | 89.3 | 90.4 | 87.0 | 89.6 | 91.3 | 92.1 | 92.1 | 92.1 | 92.1 | 92.1 |
| 101 | Disability | 2.6 | 2.8 | 2.9 | 2.8 | 2.9 | 2.8 | 2.8 | 2.8 | 2.8 | 2.9 | 2.9 | 3.0 | 3.0 | 3.1 | 3.1 | 3.1 |
| 102 | Welfare and social services | 77.4 | 82.3 | 88.1 | 77.9 | 81.5 | 77.6 | 77.6 | 78.8 | 77.5 | 79.0 | 80.6 | 82.3 | 84.1 | 85.4 | 86.3 | 86.7 |
| 103 | Unemployment | 4.4 | 2.1 | 3.3 | 3.8 | 1.5 | 4.4 | 4.4 | 4.4 | 2.1 | 1.4 | 1.2 | 1.4 | 2.1 | 2.6 | 3.0 | 3.1 |
| 104 | Other | 5.9 | 12.3 | 7.4 | 4.5 | 5.3 | 4.7 | 4.5 | 4.4 | 4.6 | 6.3 | 6.6 | 5.4 | 2.9 | 1.1 | -0.2 | -0.8 |
| 105 | Other current transfer payments paid to the rest of the world | 53.3 | 52.3 | 54.3 | 52.4 | 49.7 | 58.4 | 47.1 | 56.0 | 48.1 | 55.7 | 44.2 | 50.1 | 48.9 | 57.8 | 46.8 | 52.9 |
| 106 | Federal interest paid | 432.2 | 473.2 | 543.3 | 440.1 | 484.1 | 382.6 | 457.2 | 477.6 | 443.2 | 456.2 | 472.6 | 492.3 | 515.4 | 532.9 | 544.9 | 551.3 |
| 107 | Subsidies | 56.4 | 60.9 | 66.1 | 58.1 | 62.5 | 57.1 | 58.0 | 58.7 | 58.8 | 60.3 | 61.8 | 63.2 | 64.5 | 65.7 | 66.4 | 66.8 |
| 108 | Agricultural | 10.6 | 13.9 | 13.9 | 12.6 | 15.0 | 11.8 | 12.4 | 12.6 | 13.6 | 14.6 | 15.1 | 15.2 | 14.9 | 14.7 | 14.5 | 14.4 |
| 109 | Housing | 34.4 | 35.9 | 37.6 | 35.1 | 36.7 | 34.6 | 34.9 | 35.1 | 35.5 | 35.9 | 36.4 | 36.9 | 37.4 | 37.8 | 38.1 | 38.3 |
| 110 | Other | 11.4 | 11.1 | 14.6 | 10.5 | 10.8 | 10.7 | 10.6 | 11.0 | 9.6 | 9.8 | 10.3 | 11.1 | 12.2 | 13.1 | 13.8 | 14.1 |
| 111 | Net federal government saving | -606.7 | -722.7 | -655.4 | -591.7 | -658.0 | -579.3 | -574.2 | -611.7 | -601.7 | -631.1 | -646.7 | -673.7 | -680.5 | -542.2 | -531.1 | -518.5 |
| Addenda: | | | | | | | | | | | | | | | | | |
| 112 | Gross investment ⁴ | 263.4 | 271.3 | 280.5 | 264.0 | 273.7 | 261.5 | 263.5 | 263.1 | 267.9 | 270.3 | 272.2 | 274.7 | 277.7 | 280.2 | 281.6 | 282.2 |
| 113 | National defense | 145.0 | 149.7 | 155.7 | 144.8 | 151.5 | 143.9 | 144.9 | 143.4 | 147.2 | 149.1 | 150.5 | 152.3 | 154.2 | 155.7 | 156.5 | 156.6 |
| 114 | Nondefense | 118.4 | 121.6 | 124.8 | 119.2 | 122.2 | 117.7 | 118.6 | 119.6 | 120.8 | 121.2 | 121.7 | 122.4 | 123.5 | 124.6 | 125.2 | 125.7 |
| 115 | Consumption expenditures and gross investment | 1,225.5 | 1,272.9 | 1,314.3 | 1,224.6 | 1,258.7 | 1,218.2 | 1,220.7 | 1,224.3 | 1,235.2 | 1,246.7 | 1,255.9 | 1,261.5 | 1,270.6 | 1,288.7 | 1,300.4 | 1,303.4 |
| 116 | National defense | 739.6 | 750.3 | 763.9 | 740.8 | 752.9 | 739.0 | 740.1 | 738.2 | 745.7 | 750.1 | 753.3 | 754.0 | 754.2 | 762.8 | 769.6 | 769.0 |
| 117 | Nondefense | 485.9 | 522.6 | 550.4 | 483.9 | 505.8 | 479.2 | 480.6 | 486.1 | 489.5 | 496.6 | 502.6 | 507.5 | 516.4 | 525.9 | 530.9 | 534.3 |
| 118 | Total receipts | 3,401.4 | 3,530.5 | 3,821.0 | 3,451.2 | 3,588.8 | 3,375.7 | 3,460.4 | 3,487.5 | 3,481.0 | 3,539.6 | 3,570.5 | 3,600.5 | 3,644.7 | 3,870.4 | 3,906.2 | 3,942.5 |
| 119 | Current receipts | 3,382.2 | 3,509.6 | 3,798.7 | 3,431.5 | 3,567.6 | 3,356.5 | 3,440.4 | 3,468.1 | 3,461.0 | 3,519.0 | 3,549.4 | 3,579.0 | 3,622.9 | 3,848.3 | 3,884.0 | 3,920.3 |
| 120 | Capital transfer receipts | 19.2 | 21.0 | 22.3 | 19.7 | 21.2 | 19.2 | 20.0 | 19.5 | 20.0 | 20.6 | 21.1 | 21.5 | 21.9 | 22.1 | 22.2 | 22.2 |
| 121 | Total expenditures | 4,022.5 | 4,287.3 | 4,519.3 | 4,056.9 | 4,299.2 | 3,996.3 | 3,958.1 | 4,145.7 | 4,127.7 | 4,219.4 | 4,268.5 | 4,328.9 | 4,379.8 | 4,470.6 | 4,497.7 | 4,523.2 |
| 122 | Current expenditures | 3,988.9 | 4,232.2 | 4,454.1 | 4,023.2 | 4,225.6 | 3,935.8 | 4,014.6 | 4,079.8 | 4,062.7 | 4,150.1 | 4,196.1 | 4,252.8 | 4,303.4 | 4,390.5 | 4,415.1 | 4,438.8 |
| 123 | Gross government investment | 263.4 | 271.3 | 280.5 | 264.0 | 273.7 | 261.5 | 263.5 | 263.1 | 267.9 | 270.3 | 272.2 | 274.7 | 277.7 | 280.2 | 281.6 | 282.2 |
| 124 | Capital transfer payments | 72.9 | 71.8 | 75.9 | 73.3 | 75.7 | 71.7 | 72.8 | 75.5 | 73.4 | 74.0 | 75.1 | 76.7 | 77.0 | 78.6 | 79.7 | 80.2 |
| 125 | Net purchases of nonproduced assets | -31.1 | -13.6 | -16.5 | -30.9 | -1.4 | -0.7 | -121.6 | -0.8 | -0.7 | -0.7 | -0.7 | -0.7 | -3.5 | -3.5 | -3.5 | -3.5 |
| 126 | Less: Consumption of fixed capital | 271.7 | 274.4 | 274.7 | 272.7 | 274.4 | 272.0 | 271.2 | 271.8 | 275.7 | 274.3 | 274.2 | 274.5 | 274.8 | 275.3 | 275.2 | 274.6 |
| 127 | Net lending or net borrowing (-) | -621.0 | -756.7 | -698.3 | -605.8 | -710.4 | -620.6 | -497.7 | -658.1 | -646.7 | -679.8 | -698.1 | -728.4 | -735.1 | -600.2 | -591.5 | -580.7 |

FICA Federal Insurance Contributions Act
SECA Self-Employment Contributions Act
NIPAs National income and product accounts

1. Fiscal year estimates are the sum of quarterly estimates that are not seasonally adjusted and that are consistent with budget proposals.

2. These estimates are published in the NIPA tables 3.2 and 3.9.5.

3. Most transportation grants-in-aid to state and local governments are classified as capital transfers paid (see the addenda), but water and railroad transportation grants are still classified as current-account transactions.

4. Gross investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in federal government consumption expenditures.

Sources: *Budget of the United States Government, Fiscal Year 2017* and the Bureau of Economic Analysis.

NIPA Estimates of the Federal Sector and the Federal Budget Estimates

The Bureau of Economic Analysis (BEA) prepares estimates of the federal sector in the framework of the national income and product accounts (NIPAs). Unlike the federal budget, which is a financial plan of the government, the NIPA federal sector estimates are designed to facilitate macroeconomic analyses of the effects of federal government activity on economic activity.¹

In translating budget estimates into the framework of the NIPAs, three primary types of adjustments are made. These adjustments result in NIPA estimates of current receipts and expenditures that differ from corresponding estimates of receipts and outlays in the budget.

- **Coverage adjustments** are necessary because certain transactions that are included in the budget are excluded from the NIPAs (and vice versa).
- **Netting and grossing adjustments** are necessary because certain transactions that are recorded as offsets to outlays (receipts) in the budget are recorded as receipts (expenditures) in the NIPAs.
- **Timing adjustments** are necessary because certain receipts and outlays that are recorded on a cash basis in the budget are recorded on an accrual basis in the NIPAs.

The arrangement of federal transactions in the federal sector NIPA statistics differs from that in the budget estimates because of different treatments of capital transactions. Unlike the federal budget estimates, the NIPAs distinguish current transactions from capital transactions, which include expenditures to acquire, improve, or dispose of nonfinancial assets such as property or equipment and certain intangible assets. In the NIPAs, current transactions for production, income, and consumption are presented in summary NIPA accounts one through five, while capital transactions are presented in summary NIPA accounts six and seven.² Because of this organization, the following types of transactions are not included in NIPA federal government current receipts and current expenditures but are shown in account six and as items in NIPA table 3.2.

- **Government investment in fixed assets.** In the NIPAs, government consumption expenditures exclude investment in fixed assets and include consumption of fixed capital, a depreciation charge on fixed assets that are used in production.
- **Transfers involving the acquisition or disposal of assets.** In the NIPAs, these transactions are classified as capital transfer receipts and payments and are presented in the domestic capital account.³
- **Transactions involving nonproduced assets.** In the NIPAs, pur-

chases and sales of nonproduced assets, such as land and radio spectrum licenses, are reflected in “capital account transactions (net)” in the domestic capital account.

The NIPA estimates also differ from the budget estimates because of different definitions of the scope and coverage of the federal government sector. Examples include the following.

- **Federal employee pension and insurance funds.** In the NIPAs, pension plans are treated as “pass-through” institutions that hold financial assets on behalf of households.⁴ Government employee contributions to pension and insurance funds, which are included in budget receipts, are excluded from NIPA federal government receipts because these contributions are included in NIPA personal income as part of the income of employees. Similarly, federal employee retirement benefit payments, which are included in budget outlays, are excluded from NIPA current expenditures because these benefits are paid from assets that are included in the pension subsector of the corporate financial sector.
- **Other differences.** The NIPA federal government sector also excludes other transactions, such as contributions by telecommunications providers into the Federal Communication Commission Universal Service Fund and outlays from this Fund. In the NIPAs, this fund is treated as a nonprofit institution serving business, and these transactions are included in the NIPA business sector.

Receipts

For most years, the differences between NIPA current receipts and budget receipts primarily reflect capital transfers received, supplementary medical insurance premiums, and personal and business current transfer receipts. (Personal and business current transfer receipts are classified as receipts in the NIPAs, but some are netted against outlays in the budget.)

Expenditures

For most years, the differences between NIPA current expenditures and budget outlays primarily reflect capital transfers paid, federal employee retirement plan transactions, personal and business current transfer receipts, and net investment.

In the NIPAs, budget outlays for national defense and nondefense are reflected in both consumption expenditures and gross investment. For national defense, budget outlays differ from the NIPA estimates for several reasons.

- The NIPA measure includes general government consumption of fixed capital.
- The NIPAs include an accrual measure of contributions for military and civilian retirement benefits as defense consumption expenditures. These retirement funds are classified as part of the pension subsector of the corporate financial sector; therefore, contributions into these funds are excluded from government receipts. The budget records retirement contribution payments and the receipts of the contributions by the retirement funds as intergovernmental transactions.
- NIPA expenditures are recorded on a delivery (accrual) basis, and budget outlays are recorded on a cash basis; thus, in the NIPAs, all work in progress except ships and structures are included as part of changes in private inventories.

1. For a comparison of budget estimates and NIPA estimates, see tables 4 and 5 and [NIPA table 3.18B](#).

2. Current transactions are presented in the “Domestic Income and Product Account,” “Private Enterprise Income Account,” “Personal Income and Outlay Account,” “Government Receipts and Expenditures Account,” and “Foreign Transactions Current Account.” Capital transactions are presented in the “Domestic Capital Account” and the “Foreign Transactions Capital Account.” See “[Table A. Summary National Income and Product Accounts, 2014](#),” in “The 2015 Annual Revision of the National Income and Product Accounts,” *SURVEY OF CURRENT BUSINESS* 95 (August 2015): 28–29. The federal government components of the domestic capital account are often shown as addenda in tables presenting federal government current receipts and expenditures.

3. The flow of funds accounts of the Federal Reserve Board present detailed information on the acquisition and disposal of financial assets and liabilities by U.S. economic sectors, including the federal government.

Capital transfers include transactions such as certain investment grants-in-aid to state and local governments, investment subsidies to businesses, lump-sum payments to amortize the unfunded liabilities of the Department of Defense Medicare-Eligible Retiree Health Care Fund and the Postal Service Retiree Health Benefits Fund, payments to retroactively reimburse veterans for the costs of some past medical treatments, the implied subsidy costs of financial stabilization equity purchases, the payments of insurance benefits related to catastrophes, and estate and gift taxes.

4. For more information about the treatment of pension plans in the NIPAs, see “[Preview of the 2013 Comprehensive Revision of the National Income and Product Accounts](#),” *SURVEY* 93 (March 2013): 21–25.